



HOUSE COMMITTEE ON APPROPRIATIONS

FY 12-13

**Executive Budget Review
Department of Revenue**

March 19, 2012



Department of Revenue has one budget unit, the
Office of Revenue.

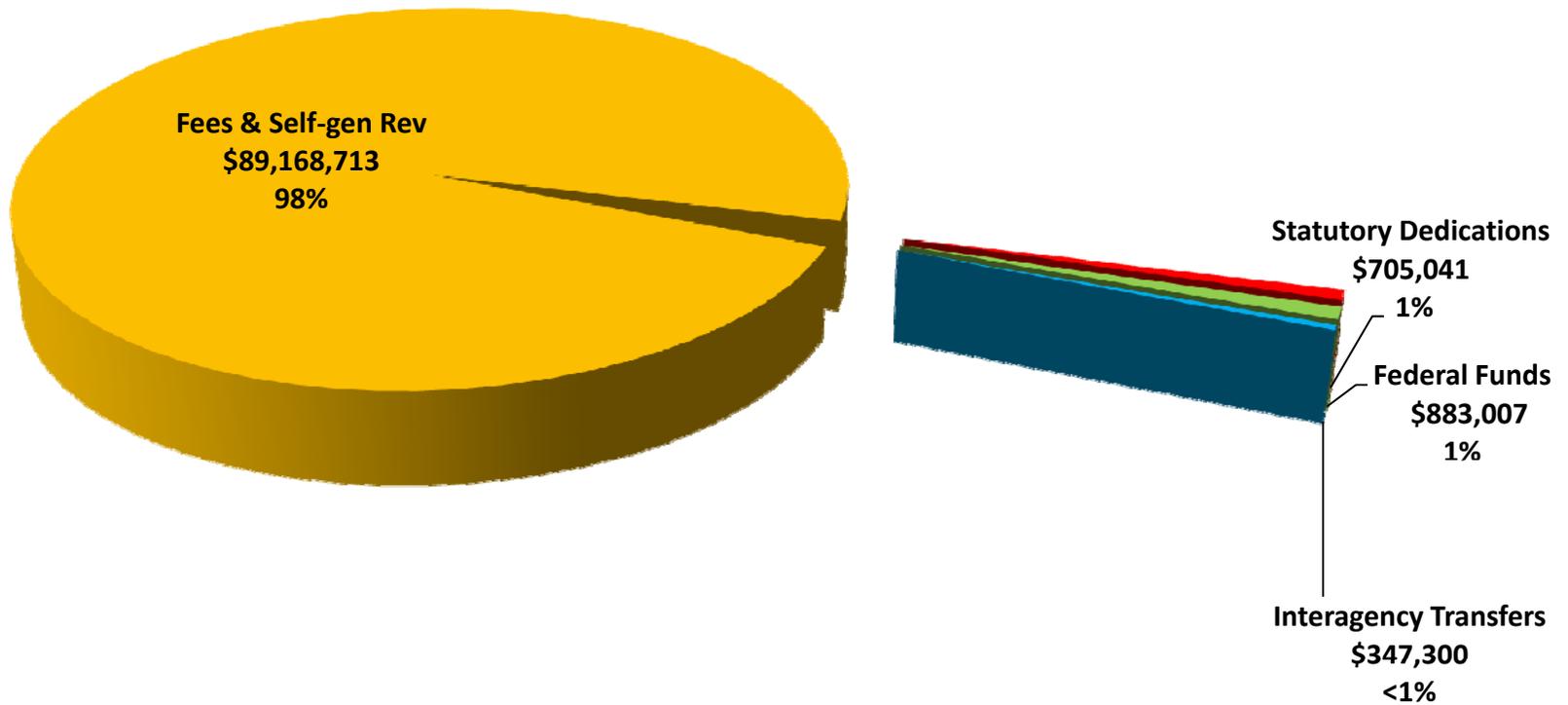
The Office of Revenue has three programs:

Tax Collection
Alcohol and Tobacco Control
Charitable Gaming



Executive Budget Recommendation

- FY 12-13 Executive Budget Recommendation is \$91.1 million.





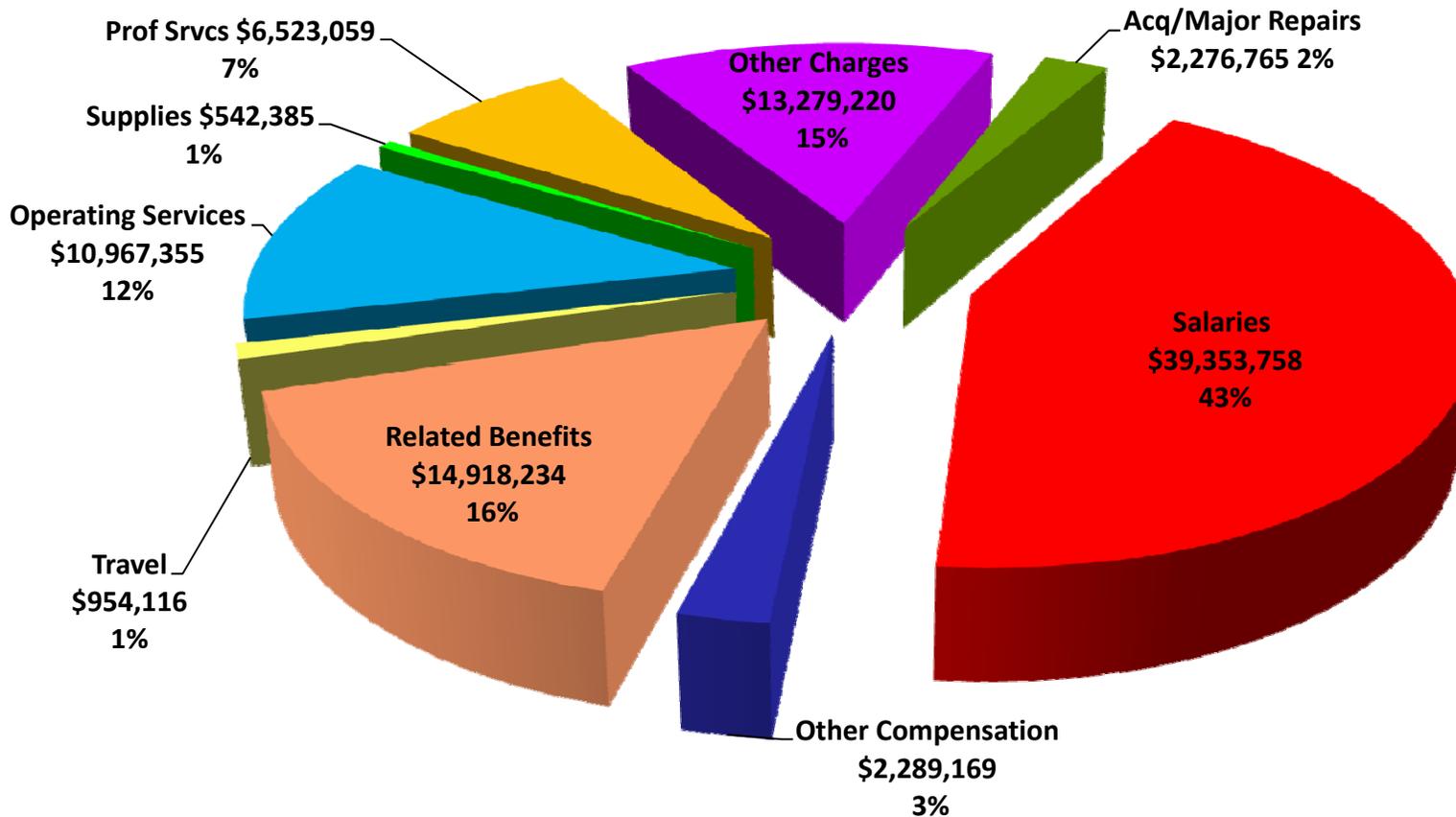
Executive Budget By Means of Finance

Department of Revenue					
Means of Financing (MOF)	Actual Expenditures FY 2010-11	Existing Operating Budget FY 2011-12 (12/1/11)	Executive Budget FY 2012-13	Change From FY 11-12 to FY 12-13	Percent Change From FY 11-12 to FY 12-13
State General Fund (SGF)	\$0	\$0	\$0	\$0	100.00%
Interagency Transfers (IAT)	\$357,089	\$361,899	\$347,300	(\$14,599)	(4.03%)
Fees & Self-gen Rev (SGR)	\$84,732,515	\$95,356,197	\$89,168,713	(\$6,187,484)	(6.49%)
Statutory Dedications (SD)	\$618,319	\$728,000	\$705,041	(\$22,959)	(3.15%)
Interim Emergency Board	\$0	\$0	\$0	\$0	0.00%
Federal Funds (FED)	\$360,000	\$977,007	\$883,007	(\$94,000)	(9.62%)
TOTAL MOF	\$86,067,923	\$97,423,103	\$91,104,061	(\$6,319,042)	(6.49%)
Authorized Positions	820	802	792	(10)	(1.25%)



Executive Budget Recommendation

- FY 12-13 Executive Budget Recommendation by Expenditure Line Item





FY 12-13 Executive Budget by Expenditure Line Item

Expenditures	FY 10-11 Actual Budget	FY 11-12 Existing Operating Budget (12/1/11)	FY 12-13 Executive Budget	Change from FY 11-12 to FY 12-13	Percent Change
Salaries	\$39,083,682	\$41,542,755	\$39,353,758	(\$2,188,997)	(5.27%)
Other Compensation	\$1,618,459	\$2,306,225	\$2,289,169	(\$17,056)	(0.74%)
Related Benefits	\$16,325,884	\$19,525,306	\$14,918,234	(\$4,607,072)	(23.60%)
Travel	\$758,945	\$954,116	\$954,116	\$0	0.00%
Operating Services	\$9,024,411	\$10,953,947	\$10,967,355	\$13,408	0.12%
Supplies	\$316,686	\$542,385	\$542,385	\$0	0.00%
Prof Svcs	\$1,340,057	\$5,836,597	\$6,523,059	\$686,462	11.76%
Other Charges	\$15,832,832	\$13,260,946	\$13,279,220	\$18,274	0.14%
Acq/Major Repairs	\$1,766,967	\$1,669,658	\$2,276,765	\$607,107	36.36%
Unallotted	\$0	\$831,168	\$0	(\$831,168)	(100.00%)
TOTAL EXP	\$86,067,923	\$97,423,103	\$91,104,061	(\$6,319,042)	(6.49%)



Significant Budget Changes Statewide

- (\$3,926,821) SGR Reduces funding for state employee retirement (LASERS).
- (\$1,182,262) SGR Net funding reduction for the salary base and attrition adjustments.



Significant Budget Changes

Non-recur Funding

- (\$1,882,425) SGR Non-recurs funding for the 27th pay period.

- (\$1,835,350) SGR Non-recurs funding for software upgrades the department processing systems.



Significant Budget Changes Reductions

- (\$855,144) SGR Reduces funding due to personnel reductions. There is a T.O. decrease of 10 positions associated with this reduction.
- (\$315,000) SGR Reduces funding for printing and postage due to the implementation of debit card tax returns.



Significant Budget Changes Increases

- \$2,160,212 SGR Provides funding for software upgrades to the integrated tax and processing systems

- \$434,165 SGR Provides funding for outsourcing printing and outgoing mail services for correspondence, billing, refund issuance of checks, forms and tax certificates.

- \$387,000 SGR Provide funding for development of an application in the web-based Taxpayer Access Point (LaTAP) for individual income taxpayers to access and update account information in its integrated tax system to allow paperless billing.



Department of Revenue

- Discretionary and Non-Discretionary Funding in FY 12-13 Executive Budget

Expenditures	FY 12-13 Exe Bud Recommendation	Percent
Discretionary	\$81,930,706	89.93%
Non-Discretionary	\$9,173,355	10.07%

Non-discretionary funding within the FY 12-13 Executive Budget Recommendation consists employers contributions for retiree’s group insurance, maintenance in state owned building and legislative auditor fees.



Statutory Dedications

Statutory Dedications	FY 10-11 Actual Expenditures	FY 11-12 Existing Operating Budget 12/1/11	FY 12-13 Executive Budget	Change FY 11-12 to FY 12-13	Percent Change
Tobacco Regulation Enforcement Fund	\$618,319	\$728,000	\$705,041	-\$22,959	-3.2%
TOTAL	\$618,319	\$728,000	\$705,041	-\$22,959	-3.2%



Statutory Dedications

Tobacco Regulation Enforcement Fund R.S. 47:841 (F)

- Established in the state treasury as a special fund to provide support for enforcement activities of the office of alcohol and tobacco control. The source of monies for the fund shall be a portion of the avails of the state tax on cigarettes as provided herein.
- The state treasurer shall annually deposit into the fund an amount equal one-quarter of one-twentieth of one cent per cigarette from the tax on cigarettes imposed pursuant to this Section.
- Monies in the fund shall be subject to appropriation by the legislature and then only to the office of alcohol and tobacco control for purposes of tobacco regulation enforcement. All unexpended and unencumbered monies in the fund shall be invested by the state treasurer in the same manner as monies in the state general fund, and all earnings on investment of the fund shall be deposited into the fund.



Salaries and Positions

- \$41.6 million for Salaries and Other Compensation
- \$14.9 million for Related Benefits
- Total Personal Services = \$56.5 million, 62% of the Department of Revenue total Executive Budget Recommendation
- Average Salaries
 - Classified - \$47,135
 - Unclassified – \$100,466
- 792 Authorized Positions (780 classified and 12 unclassified)
- As of February 15th, 2012, the department had 60 vacancies



Louisiana Department of Revenue

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